GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3083
ANSWERED ON:16.03.2001
EXEMPTION IN SALES TAX
DAHYA BHAI V. PATEL

Will the Minister of FINANCE be pleased to state:

(a) whether the notifications issued by the Union Territory Administration of Daman and Diu on 1st October, 1991 and subsequently in 1997 at the behest of the Union Ministry of Finance, Departmentof Expenditure regarding exemption in Sales Tax under the Central Sales Tax Act to small scale industries, medium industries and large industries has led to a disparity in the exemption in sales tax to the industries operating in Daman and Diu;

(b) if so, the details in this regard and the justification for operating such a discriminatory sales tax regime; and

(c) the steps taken/proposed to be taken by the Government to bring about parity in the exemption of sales tax in the Union Territory of Daman and Diu?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) & (b) : The Union Territory Administration has reported that no notification was issued on 1st October, 1991. Notifications were, however, issued in 1997 for granting exemption from Sales Tax to certain existing industries . The benefit of the notifications was uniformally available to all the industries satisfying the conditions laid down.

(c) : Does not arise.